# FISCAL MEMORANDUM SB 202 – HB 729

May 31, 2007

**SUMMARY OF AMENDMENT (009680):** Deletes original bill in its entirety. Eliminates existing requirement that the Department of Labor and Workforce Development (DOLWFD) revoke the license of any person employing illegal aliens and replaces it with discretionary authority, upon a complaint being filed by a government official and review of clear and convincing evidence, to conduct a contested case hearing on license revocation. License is suspended until status of such person is verified for first violation of the provisions of this bill. Second violation occurring within five years, license is suspended for one year. For third or subsequent violation, license and person is barred forever from doing business in this state. States that enforcement is limited to individuals who have been trained pursuant to Section 287(g) of the Immigration and Nationality Act, 8 U.S.C § 1357(g), as amended by the Homeland Security Act, Public Law 107-296. Effective date of the bill is January 1, 2008.

#### FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - Not Significant

Increase Local Govt. Expenditures – Not Significant

### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

### Unchanged from the original fiscal note.

Assumptions applied to amendment:

- DOLWFD is currently required to revoke the license of persons employing illegal aliens, Tenn. Code Ann. § 50-1-103, but, according to the Department, is not carrying out this responsibility. The cost of bringing DOLWFD into compliance with current law is not a cost attributable to this bill as amended. See Opinion of the Attorney General No. 07-79 (May 23, 2007) (state licensure laws are not preempted by 8 U.S.C. § 1324a(b)(2)).
- Any increase in local government expenditures to suspend or revoke a business license for violations of this bill is estimated to be not significant.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/LSC